IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

Transguard Insurance Company of America, Inc.	)	
Plaintiff	)	(Judge Richard P. Conaboy)
	)	
v.	)	
	)	
Hinchey et al.	)	Civil Action No. 3:05-CV-0538
Defendants.	)	
	)	

MEMORANDUM AND ORDER

By prior Order this Court set Tuesday, August 1, 2006, as the date for a hearing

on a remaining issue in this case. The remaining issue will require that this Court hear

testimony to determine the effect of the agency issue presented by the Parties.

On this date, the Court discussed these matters fully with Counsel for both

Plaintiff and Defendant, and further discussed the request made on behalf of the Plaintiff

to continue the hearing scheduled for August 1, 2006.

The Court also discussed with Counsel, for both Plaintiff and Defendant, the

possibility of the Parties submitting this matter to arbitration for the purpose of

discussing settlement.

The Court further discussed with Counsel the potential length of time to present

this matter fully to this Court, in the event that settlement cannot be reached.

Under the circumstances, the following Order is entered:

AND NOW THIS 31rst DAY OF JULY, 2006, IT IS ORDERED AS

FOLLOWS:

1.   The hearing scheduled for Tuesday, August 1, 2006, is continued
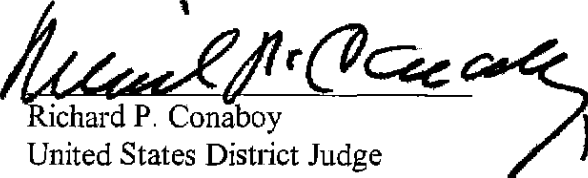
generally.

2.   This Court will hear testimony and accept evidence from the Parties on

the remaining issues on **Wednesday, October 11, 2006, at 10:00 a.m.**

The hearing will continue through the next day, if necessary.

3.   Counsel are directed to continue negotiations regarding arbitration and

settlement of this case. Counsel are further directed to notify this Court

immediately, if arbitration is agreed upon, and further to notify the Court

immediately if settlement is arrived at by that or any other method.

4.   There will be no further discovery by either of the Parties in this case.

Richard P. Conaboy
United States District Judge